

THE DYNAMICS OF THE ROMANIAN UNIVERSITIES GRADUATES NUMBER IN THE 2005-2010 PERIOD

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In the context of the European single market, where information, capitals, persons, goods and services circulate free and fast, where economic rationality is different at the global level from the national one, radical mutations occur in each member state's strategy with regard to the educational system. Therefore, the Romanian educational system, especially the Romanian higher education must correlate the graduates number with the Romanian and EU labour force requirements, and take into account the necessities imposed by the participation at international competition. On the other hand, a country's economic and social development level depends very much on its citizens' educational level, especially in nowadays knowledge-based society, which is a society of life-long-learning.

Key words: knowledge-based society, education, human capital, universities graduates dynamics, economic growth

JEL Classification: I21, I23, I25, J60

1. Introduction

In the actual knowledge-based society, the issue of economic education is more important than ever, but professional-economic elements remain the easiest to teach and to learn: that is because education in their direction does not need special efforts from individuals, being on a most „natural” line, from the point of view of the millenniums of surviving on this planet; there are not necessary special orientations and transformations of the human being, because they are not related to cultivation and to human personality development, but to *surviving*. They are consistent rather to what any living creature on the earth learns: they are in our instincts and need no special educative intervention. But for humans, the human superior ones are essential, defining for our specie (compared with other creatures). That is why the care for youth' education was mostly for cultivating the qualities that put and keep them over the animal kingdom.

Even in the modern times of market culture, teaching should contain all the components, in different proportions; by its nature, level and speciality, it should not be partial, simplistic or conducting young people to perceptions that could badly make them not human (non-superior) beings.

Throughout the modern history, all countries of the world have been focused on economic development. Contemporary world comes back to the real purpose of economics, the human being, assuring his welfare and security, both at individual and social level. Thus, it appears on the ideas level a new conceptual paradigm, that of human development, which accompanies and motivates the economic one. This new paradigm has obviously not manifested itself instantaneously, but has developed as a slow, difficult and deliberate process. The rapid rhythm of changes has convinced both the business people community, and the nations, that labour force flexibilization is necessary. Each sector of activity, including the agricultural one, needs a permanent qualification up-date, combined with the accumulation of action knowledge and competencies. This irreversible trend represents a proof of the increasing importance of some “intangible” points in the investments field – such as education – while the effects of the “intelligent revolution” are being felt. In this case, investment in education becomes a strategic investment. As Jacques Delors, the president of the International Commission for Education states: “*In the 21st century, educational systems must educate in an innovating spirit, promote the capacity of evolution,*

adaptation to a fast changing world, that each individual should be capable of assimilating” (Ciobanu 2003: 15).

2. The Importance of Human Capital Education

In this respect, Adam Smith – in his famous work “The Wealth of Nations” - observes that human capital is not just a form of capital, but also the most important of these; it represents the acquired or useful capacities of the members of the society, capacities which are in both the property of an individual, and in the welfare of the society he belongs to. *„The perfected skill of a worker may be considered as a tool which improves labour and which, even if it is costly, requires a certain expense, yet returns this expense as a revenue for him and the community he belongs to”* (Smith in Ciobanu 2003: 15). Practically, *the human capital* is composed of *the educational capital*, represented by the skills acquired by individuals during and outside the education process, and *the biological capital*, represented by the individuals’ physical skills, the most often synthesized by their health state. Human capital has developed itself as a concept in economy, where it is mainly regarded as “estimation of a person’s ability to produce income by labour” (Cismaş and Popovici 2009:57).

Education in a knowledge society will have a strong social goal. The new educational system must be an open one, conceived to assure equal chances of education for all the members of the society. The capable ones must have free access to studies, so that their social growth is allowed, irrespective of the origin, revenues and prior education. In a knowledge society, it is necessary that all educated persons systematically return to school; it is particularly the case of those with higher education. The continuous formation will become “an industry”, which might register a strong progress in the future. The educational title, the studies diploma will facilitate the access to the best work places and to the most promising professional carriers, only if it is given based on competence criteria, of capability and talent, and not on the criterion of welfare, being, in such case, a symbol of the social class.

Practically, this last key – requirement imposes that “the product” of education be an educated, efficient and cultivated person, irrespective of her social condition (www.realitatea.net).

An important motivation of individuals to invest in education is based on the idea according to which accumulated knowledge and competencies tend to lead to a growth in productivity and, implicitly, of the potential earnings. Another important reason for accumulating a high level of education is getting a higher stability on the labour market, which implicitly reduces the risk of unemployment. Educated workers have a higher rate of participation on the labour market, and the length of their active life is generally higher than in the case of the persons with a lower level of education (Suciu 2000: 31).

3. The Dynamics of the Romanian Universities Graduates Number in the 2005-2010 Period

Professional insertion of young people has lately become, both in Romania and in the European Union, a difficult process, which requires an increasing period of time from the moment of finalizing the last form of education, until the moment of finding a work place.

Today exist in the world about a billion young people with the age ranging between 15 and 24 years old, 85% of them living in developing countries. The participation rate on the labour market among young people has decreased at a world level from 59.3% to 54.4% during 2004-2010, mainly because of the prolonging of studies among young people. In the European Union currently live about 62 million young people, which represent 12.7% from the total population. According to the data supplied by the National Institute of Statistics, there is a decreasing trend with regard to the evolution of young population until 2025. This evolution may be explained by the decrease in the birth rate, the increase of the period and level of education, the social mobility, women’s emancipation. Regarding young people’s

unemployment rate in Romania, it was of 22.1% in 2010, a little higher than the average unemployment rate in the European Union (Table no. 1). This situation can be explained, on one hand, by the inexistence of a correspondence between the educational (too much theoretical) level and the requirements of the labour market, and, on the other hand, by the companies' desire to employ qualified labour force. The lower unemployment rate among young people with higher education, in comparison with other categories, as well as the fact that the smaller the necessary period for finding a work place, the higher the educational level is, brings an increasing importance to the diploma at the beginning of the career.

Table no. 1. Unemployment Rate among Young People less than 25 Years Old (in %)

	2005	2006	2007	2008	2009	2010
UE 27	18.7	17.4	15.6	15.7	20	20.9
Belgium	21.5	20.5	18.8	18	21.9	22.4
Bulgaria	22.3	19.5	15.1	12.7	16.2	23.2
The Czech Republic	19.2	17.5	10.7	9.9	16.6	18.3
Denmark	8.6	7.7	7.9	7.6	11.2	13.8
Germany	15.5	13.8	11.9	10.6	11.2	9.9
Estonia	15.9	12	10	12	27.5	32.9
Ireland	8.6	8.6	8.9	13.3	24.4	27.8
Greece	26	25.2	22.9	22.1	25.8	32.9
Spain	19.7	17.9	18.2	24.6	37.8	41.6
France	21.1	22.1	19.6	19.1	23.5	23.3
Italy	24	21.6	20.3	21.3	25.4	27.8
Cyprus	13	10.5	10.1	8.8	14	17.8
Leetonia	13.6	12.2	10.7	13.1	33.6	34.5
Lithuania	15.7	9.8	8.2	13.4	29.2	35.1
Luxembourg	14.3	15.8	15.6	17.3	16.5	16.1
Hungary	19.4	19.1	18	19.9	26.5	26.6
Malta	16.2	16.5	13.8	11.8	14.4	12.9
Holland	9.4	7.5	7	6.3	7.7	8.7
Austria	10.3	9.1	8.7	8	10	8.8
Poland	36.9	29.8	21.7	17.3	20.6	23.7
Portugal	16.1	16.3	16.6	16.4	20	22.4
Romania	20.2	21.4	20.1	18.6	20.8	22.1
Slovenia	15.9	13.9	10.1	10.4	13.6	14.7
Slovakia	30.1	26.6	20.3	19	27.3	33.6
Finland	20.1	18.7	16.5	16.5	21.5	21.4
Sweden	22.6	21.5	19.2	20.2	25	25.2
Great Britain	12.8	14	14.3	15	19.1	19.6

Source: <http://epp.eurostat.ec.europa.eu>

Spain registered in 2010 the highest unemployment rate, with a percentage of 41.6%, and Holland the lowest one. Employment rate among young people (15-24 years old) is much lower than that of the total population, because many young people are still included in the educational sytem and don't have a work place. On the other hand, the decrease in young people employment can also be determined by their migration abroad, the decrease in the birth rate and the black economy.

By analyzing Fig. no. 1, we may observe the doubling of the faculy graduates number, from 108,000 in the university year 2004/2005, to 214,000 in 2008/2009.

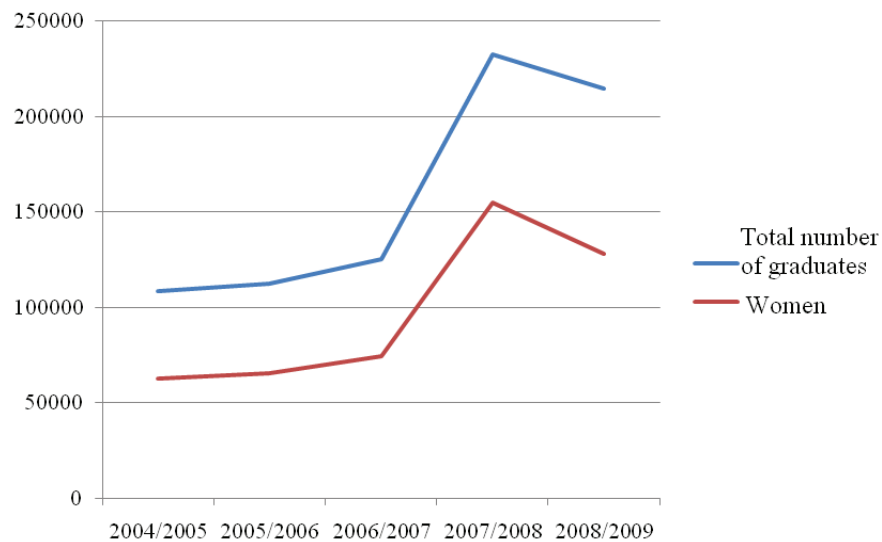


Fig. no. 1 The Evolution of Graduates Number

Source: Made by the author based on The Statistical Annuary of Romania, 2010, pp. 247

The number of women faculties graduates has registered an increasing trend in 2004-2009. This phenomenon may be explained by the increase in the educational supply from the private and state universities and of increasing qualficare requirements for obtaining a work place.

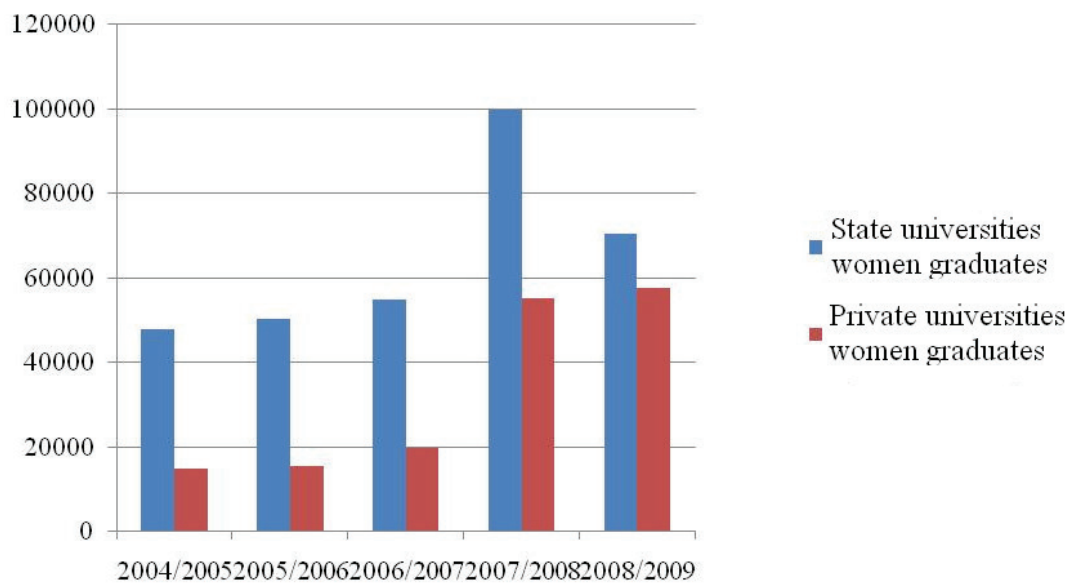


Fig. no. 2 The Evolution of Women Graduates Number

Source: Made by the author based on The Statistical Annuary of Romania, 2010, pp. 247-249

From 2004 to 2008, the women graduates number was increasing, but in 2009 it decreased, reaching 128.000 (Fig. no. 2). In 2009, the lowest difference between state faculties and private faculties women graduates was registered: about 13,000 women graduates. By analyzing Fig no. 3, we may observe that the number of state faculties graduates is higher than that of the private ones. This difference considerably diminished in 2008, when private faculties graduates represented 42% of the total graduates number.

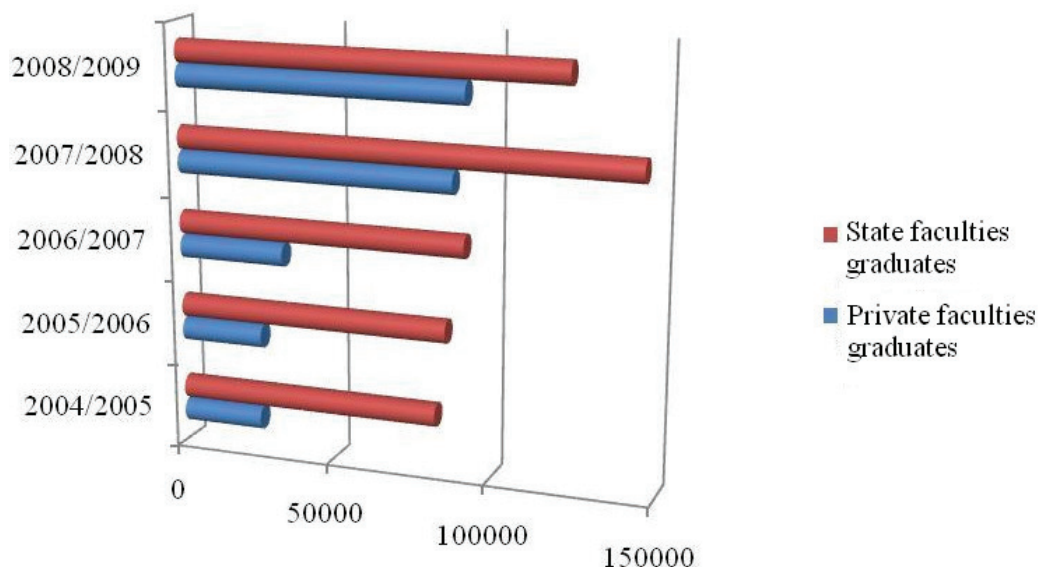


Fig. no. 3 The Evolution of Private and State Faculty Graduates Number

Source: Made by the author based on The Statistical Annuary of Romania, 2010, pp. 247

The number of a state faculty graduates increased from 80,000 in 2004 to 140,000 in 2007, but decreased in 2008 (Table no. 2). The biggest increase was registered in 2007, when the number of graduates increased by 50,000 persons compared with 2006. In 2008, the number of a state faculty graduates decreased at both the state faculties, and the private ones, but in a higher proportion in the first compared to the latter ones.

Table no. 2. The Evolution of the Graduates Number (persons)

	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
Private faculties graduates	25736	26336	33839	88028	91803
State faculties graduates	82739	85908	91660	144857	123023

Source: The Statistical Annuary of Romania, 2005-2010

The structure by profiles of students (Table no. 3) was influenced by the requirements of the labour force market. Therefore, in the last years, the weight of students in the technical education decreased, the weight of students in the profiles increasing, both among women, and among men.

Table no. 3. The Graduates Structure by Profiles

	Private faculties					State faculties				
	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2004/ 2004	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009
Technical	991	663	1116	1228	3194	23063	23942	23642	22721	46148
Medical-pharmaceutical	362	408	599	622	933	6055	5884	6034	5974	7189

	Private faculties					State faculties				
	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2004/ 2004	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009
Economic sciences	12620	12846	14203	45598	39979	17750	19252	23008	46246	27441
Law	6640	5810	7550	10391	17621	4258	4365	5018	4067	3797
University-pedagogical	5021	6247	9998	29382	29540	30114	30256	32095	62736	36600
Artistic	102	362	373	807	536	1481	2209	1863	3073	1848

Source: The *Statistical Annuary of Romania, 2005-2010*

The change in the graduates' structure by profiles was mostly determined by their desire to earn more or by the possibility of obtaining a higher wage in a shorter period of time.

4. Conclusions

In the context of the European single market, where information, capitals, persons, goods and services circulate free and fast, where economic rationality is different at the global level from the national one, radical mutations occur in each member state's strategy with regard to the educational system. Therefore, the Romanian educational system, especially the Romanian higher education must correlate the graduates number with the Romanian and EU labour force requirements, and take into account the necessities imposed by the participation at international competition. On the other hand, a country's economic and social development level depends very much on its citizens' educational level, especially in nowadays knowledge-based society, which is a society of lifelong learning.

Acknowledgement

This work was cofinanced from the European Social Fund through Sectoral Operational Programme Human Resources Development 2007-2013, project number POSDRU/89/1.5/S/59184 "Performance and Excellence in Postdoctoral Research in Romanian Economics Science Domain".

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